

ANGLO-AMERICAN TELEGRAPH COMPANY  
LIMITED.

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First Ordinary General Meeting of Shareholders,

*Monday, February the 4th, 1867.*

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LONDON TAVERN.

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CHAS. E. STEWART, Esq., IN THE CHAIR.

The advertisement convening the Meeting was read by JOHN C. DEANE, Esq., Secretary to the Company.

The CHAIRMAN: Gentlemen, I think you have all received copies of the Report and Accounts. Is it your pleasure that these should now be read, or taken as read?

(The feeling of the Meeting was that they should be taken as read.)

The CHAIRMAN thereupon said, Gentlemen, in the Report submitted, we have congratulated you upon the position of the Company. We have done so with great confidence, for we meet you to-day with satisfaction unalloyed. In the prospectus issued

last March, three main objects were indicated as those which we had in view, viz., the laying the Cable of 1866; the recovery and completion of that of 1865, and the earning of a dividend at the rate of not less than 25 per cent. on the subscribed capital of the Company. These three objects have been attained, and I think, therefore, we are justified in congratulating you upon the result. Turning to the Accounts presented with the Report, they are, you will see, very short and simple, and require little explanation. The whole of the capital, £600,000, has been paid up and expended in the fulfilment of our obligation to the Contractors. Two sums of £10,000, and £431, which we have obtained from premium on shares and interest, will suffice, I hope, to cover all our preliminary expenses up to the 28th July, when the Cable was completed, so that there will be no charge against revenue for anything prior to that date. The accounts made up to the 31st of last December, show a profit of £67,000, but that does not include a sum of about £14,000, which was then due to us, and which has since been received. The material point however is, that these figures were more than sufficient to pay the dividend which the Board, in the exercise of the power conferred on them, have distributed among the Shareholders. When we meet to present to you the Annual Accounts to the 28th July of this year, we shall then be able to say what sum of money, if any, we can hand over to our friends the Atlantic Telegraph Company. As you are no doubt aware, all above £125,000, exclusive of £25,000 from the New York and Newfoundland Telegraph Company, goes to the Atlantic Telegraph Company up to £72,000, when we shall again begin to divide with them; in fact we have no direct interest

in the earnings between the first £125,000 and the £72,000 which they would share. The next paragraphs in the Report detail the particulars of the contract with the Construction Company, and the proceedings of the expedition which we have thought it convenient to place on record for reference hereafter.

The Report then refers to the manner in which the contract was fulfilled, and I am bound to say that it is but a simple act of justice to the Telegraph Construction Company to state that it was carried out to the entire satisfaction of the Board. The result renders unnecessary any further statement on my part, but even if the result had been less satisfactory, I should have felt it my duty to have told you that it had not arisen from any fault on the part of the Contractors. The Report expresses the obligations of the Company to the able men employed in making and laying the Cable, to whose merits it would be a hopeless task to attempt to do justice. Many of them had distinguished themselves, had obtained honours and distinctions from their sovereign, and some had made a world-wide reputation, to which nothing I can say would add anything; I shall therefore confine myself to acknowledging the obligation which the Company owes to them, and request them to receive our thanks. In anticipation of the completion of the cable, we established a staff of able operators at Valentia, as well as at Heart's Content, so that we were in a position at once to commence earning revenue, and I have great pleasure in saying, from personal experience, that nothing could exceed the zeal and ability with which the staff discharged their duty. With respect to the power of the cables I have very little to add to the paragraph in the Report. The power of the cables is more than we are

able to employ. The signs come more rapidly than we can read them. Whether by means of machinery we shall be able to substitute for the human eye something that will act quicker it is not for me to say; but, at present, the cables transmit signs more rapidly than the human eye and brain can see and follow them. The telegraphic communication through Newfoundland and the Western Union Lines from Cape Breton through the United States, as you have been informed and probably as many of you are aware from experience, is very unsatisfactory. We have been in communication with our co-partners, the New York and Newfoundland Company, and I am very glad to say that I have received this morning a telegram from Mr. Cyrus Field, of which I will read a portion. Mr. Field says:—

“I sail in Cuba on the 6th instant with full  
 “powers, and I have no doubt on my arrival  
 “in London we shall be able to make arrange-  
 “ments satisfactory to all parties. The  
 “telegraph business between Europe and  
 “America must be done in a prompt and  
 “reliable manner.”

That, I think, must be regarded as a very satisfactory conclusion of our negotiation with the Newfoundland Company. Our view has always been that it is essential to the proper conduct of the business that we should have the cable extended and continued from Heart's Content or Placentia Bay to Boston, or some point in the United States, so that we should be in direct communication, and without the intervention of a line through the uninhabited portion of Newfoundland. Another objection to the present arrangement

is that there are so many interests concerned. If anything goes wrong with the messages we have to refer to so many parties to ascertain where the difficulty has arisen, that it is almost hopeless to arrive at any conclusion. If we had a Cable from Placentia Bay to Boston, or, still better, if it were extended to New York, we should have practically but one management, and the business could, therefore, be conducted in a much more satisfactory manner. The arrangements with the Electric and Magnetic Companies will have the effect of placing this Company's staff in London with two independent wires at their disposal, so that instead of being dependent upon the ordinary wires of those Companies, and upon their staff both in London and Valentia, the message will be given to the servants of the Anglo-American Company in London, and transmitted direct to Heart's Content without the intervention of any other management or responsibility. The Report acknowledges our obligations to those who gave us the Cables, but the public are indebted also to those who found the capital. That capital was raised at a time of very great difficulty, and, in fact, it has been the difficulty with which the Company have had to contend. The undertaking originated with a few individuals connected to a great extent with the Telegraph Construction and Maintenance Company, and they subscribed £230,000. Application was then made to the public, meetings were held in London, Manchester, Liverpool, and Glasgow, and no stone was left unturned to induce subscriptions. But there was such a total absence of confidence, and such disbelief in the possibility or probability of success, that very little money was obtained, and, in fact, the balance of the necessary sum of £500,000 was contributed through

the influential agency of the house of Messrs. J. S. Morgan & Co., and very much from the same source as the original sum. It was contributed about the end of March or beginning of April: a very fortunate circumstance it was, for upon the 10th of May came that black Friday, after which they would have got nothing. If the expedition of 1866 had failed, the cause of regret would not have been merely for a year's delay of the communication between England and America, for there was already such a total absence of confidence that if the Cable of 1866 had gone elsewhere, as he believed it would have done, and the Cable of 1865 had remained a wreck at the bottom of the Atlantic, I do not know when the capital would have been got together again, and it would have been many years before the public would have been induced to make another attempt.

There are two of our colleagues absent from among us to-day, who ought not to be forgotten on this occasion. I mean Mr. Cyrus Field and Sir Richard Glass. The connection of Mr. Cyrus Field with the progress of the Atlantic Telegraph is well known. He devoted himself to the work in a manner which will connect his name with the success of this enterprise, so long as history keeps the event in remembrance. His services are recognised also, I am glad to see, in his own country, and if you will allow me I will read the terms in which Mr. Field is spoken of by the Legislature of the United States. A resolution was submitted to Congress of the United States to this effect:—

“That the thanks of Congress be, and they are  
 “hereby presented to Mr. Cyrus Field, of  
 “New York, for his foresight, courage, and  
 “determination in establishing telegraphic

“communication by means of the Atlantic  
 “Cable traversing through mid-ocean, and  
 “connecting the old world with the new; and  
 “that the President of the United States be  
 “requested to cause a gold medal to be struck,  
 “with suitable emblems, devices, and inscrip-  
 “tions, to be presented to Mr. Field; that  
 “when the medal shall have been struck, the  
 “President shall cause a copy of the joint  
 “resolution to be engrossed on parchment,  
 “and shall transmit the same, together with the  
 “medal, to Mr. Field, to be presented to him  
 “in the name of the people of the United  
 “States.”

Those resolutions have, I believe, been passed; and I am sure that they cannot but be gratifying to Mr. Field. It is a recognition of his services, valuable because deserved. Sir Richard Glass, I am sorry to say, is prevented from being among us to-day by continued illness. As Managing Director of the Telegraph Construction Company, the duty of organising the expedition devolved upon him. And a very fortunate thing it was for us, for the Construction Company, and for the public that it devolved upon one so well able to carry it out. He was admirably fitted for the post which he occupied. He threw into the work the whole energy of his character, and devoted himself to it in a way which has left its mark upon him. So long as there was a doubt of the success of the expedition, Sir Richard Glass bore up. When I reached Valentia, on the 26th of July, he was in comparative health and apparently strong; but on the 27th, when the ship was nearing land, and all cause of anxiety was past, the strong man of the previous day

was unable to rise from his bed, and I may say, he has scarcely risen from it since that day. I repeat what I have already said publicly, for I feel and know it to be true, that to Sir Richard Glass, perhaps more than to any other man, are we indebted for the success of the expedition of 1866.

I now beg to move that the Report and Statement of Accounts be received and adopted, and shall be glad to answer any question any proprietor may desire to ask.

Sir D. GOOCH, M.P., seconded the motion.

Mr. MICHELL thought the Company fortunate in having for its chairman a gentleman who would bring to its service calm judgment, steadfast application, and that which could not be held in too high estimation in the present day, a nice and discriminating sense of honour.

Mr. CONYBEARE inquired whether interest was to be paid upon the subscribed capital from the day of the subscription or the successful laying of the cable.

The CHAIRMAN said the deeds were very specific that their receipts were to date from the opening of the cable; and he believed the prospectus was capable of no other construction.

The resolution was carried unanimously.

Mr. MORGAN moved, and Mr. J. M. PARSONS seconded the re-election of the auditors, Mr. T. B. Smithies and Mr. Joshua Dean, for the ensuing year, and the remuneration for their services was fixed at fifty pounds each.



A SHAREHOLDER wished to know whether this Company worked the cable, and having taken credit for 25 per cent., handed over the balance to the Atlantic Company, or whether the Atlantic Company did the work. If the Atlantic Company worked the cable he could not see what necessity there was for this Company to have Auditors.

The CHAIRMAN said the cables were worked by the Anglo-American Company, who kept the accounts and paid all the working expenses. They then took for themselves a sum equal to 25 per cent. upon their total capital, and handed over the balance, if any, to the Atlantic Company up to a further sum of £72,000, after which, the two Companies divided half and half. There was, therefore, a necessity for their auditing the accounts.

Mr. CONYBEARE asked what prospect there was of the Atlantic Company buying them up.

The CHAIRMAN would not undertake the responsibility of prophesying. The shares of the Anglo-American Company were now only at £150 in the market. If the Atlantic Company be able to buy them up they could only do so by paying £200 for each £100 of Anglo-American stock.

Another SHAREHOLDER suggested that an immediate advantage to the Company would probably result from a reduction of the tariff to 5s. per word, and complained that customers were not informed when stoppages occurred in the working of the land lines in America.

The CHAIRMAN observed that the lines in Newfoundland were dependent upon changes of weather. They used, a few months ago, to break down and remain stopped for several days, but of late, when a break down occurred, the damage had been repaired in a hour or two. He did not think it would assist the public if they were to advertise "lines down" and "lines up" three or four times a day. He believed that with the exception of one very serious break down in consequence of a gale and a heavy fall of snow there had been no interruption for some time which had extended over two or three hours. They would always be subject to these interruptions till they got the cable from Placentia Bay to Boston, when he hoped they would be able to give satisfaction to the public, and to secure themselves from the danger of competition, to which all successful undertakings were exposed. The tariff was a question of anxious consideration. It was no use seeking a large business till the lines beyond them were in a condition to do it. They had already reduced the tariff from 20s. to 10s. a word, and he believed they would very shortly go to 5s.; and he would not venture to say that that would be the permanent rate.

Replying to further questions.

The CHAIRMAN stated there was nothing to preclude another company from laying a line direct from Ireland to Boston, or any other point in the United States beyond a certain boundary, within which the Newfoundland Company, who were partners with the Atlantic Telegraph Company, had a monopoly. But their true policy and safety would be not to depend upon a monopoly but upon doing the work so well and cheaply that there should be no room for others. The

question of a reserve fund was one that affected the Atlantic Company more than it did them; the Articles of Association provided that a sum of £15,000 a year, or 10 per cent. of the net receipts, should be set aside as reserve. The receipts from the cable varied very much from day to day, owing to the state of the land lines on the American side. The increased business consequent upon the reduction of the tariff from 20s. to 10s. was sufficient in a month or six weeks to recoup any loss. The receipts varied a few pounds a day, according as the land lines were in good repair or otherwise, but amount on the average to about £800 a day, which was the same rate as under the old tariff.

A vote of thanks was then passed to the Chairman and Directors, and its acknowledgement by the Chairman terminated the proceedings.

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